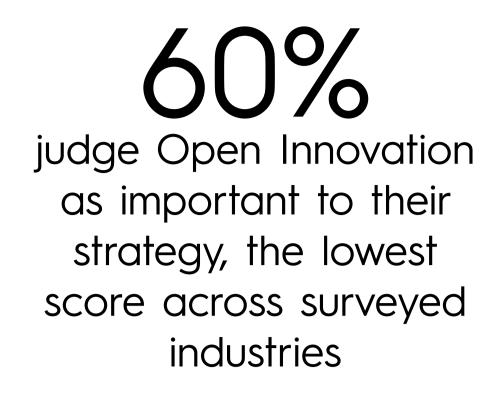# Defence & Homeland Security

Experimenting with Open Innovation, but successes are yet to materialise

Sopra Steria Next's Open Innovation Report 2025 reveals that just 4 in 10 Defence & Homeland Security organisations have collaborated with startups, and only 20% of their projects meeting their original objectives. 60% of Defence organisations judge Open Innovation as important to strategy, the lowest score across any industry.

Notably, 80% of collaborating organisations started in the past two years. Succeeding in Open Innovation requires structured approaches, and key challenges for o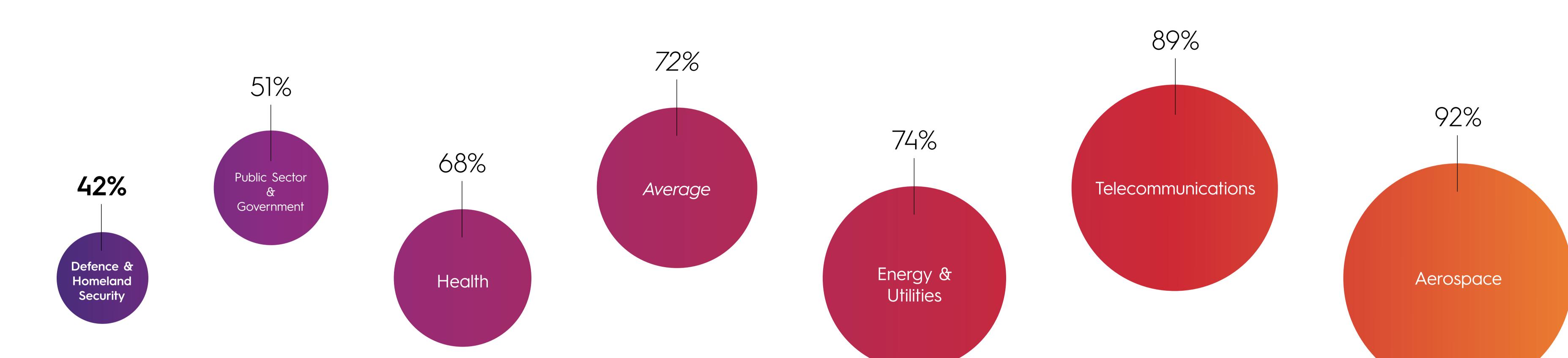rganisations in Defence & Homeland Security include the lack of a dedicated department and third-party utilisation. The main barrier to successful collaboration is moving from pilot to implementation, reported by 80% of respondents, followed by intellectual property concerns, reported by 60%. Despite these barriers, 75% of all organisations, whether they have collaborated or not in the past, intend to partner with startups in the next two years.

42%
of Defence & Homeland Security organisations have partnered with startups, making it the second least engaged industry in startup partnerships

60%
judge Open Innovation as important to their strategy, the lowest score across surveyed industries

20%
of Defence & Homeland Security organisations reach their objectives always or most of the time – the lowest level of success across industries

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01. Lowest number of corporates
to have collaborated with startups

Q: Has your organisation ever collaborated with a startup?
Companies selecting Yes, both Domestic and Foreign Startups, Yes, Domestic Startups and Yes, Foreign Startups

- **42%** Defence & Homeland Security
- 51% Public Sector & Government
- 68% Health
- 72% Average
- 74% Energy & Utilities
- 89% Telecommunications
- 92% Aerospace

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02. Second lowest level of corporates
who judge Open Innovation to be strategically important

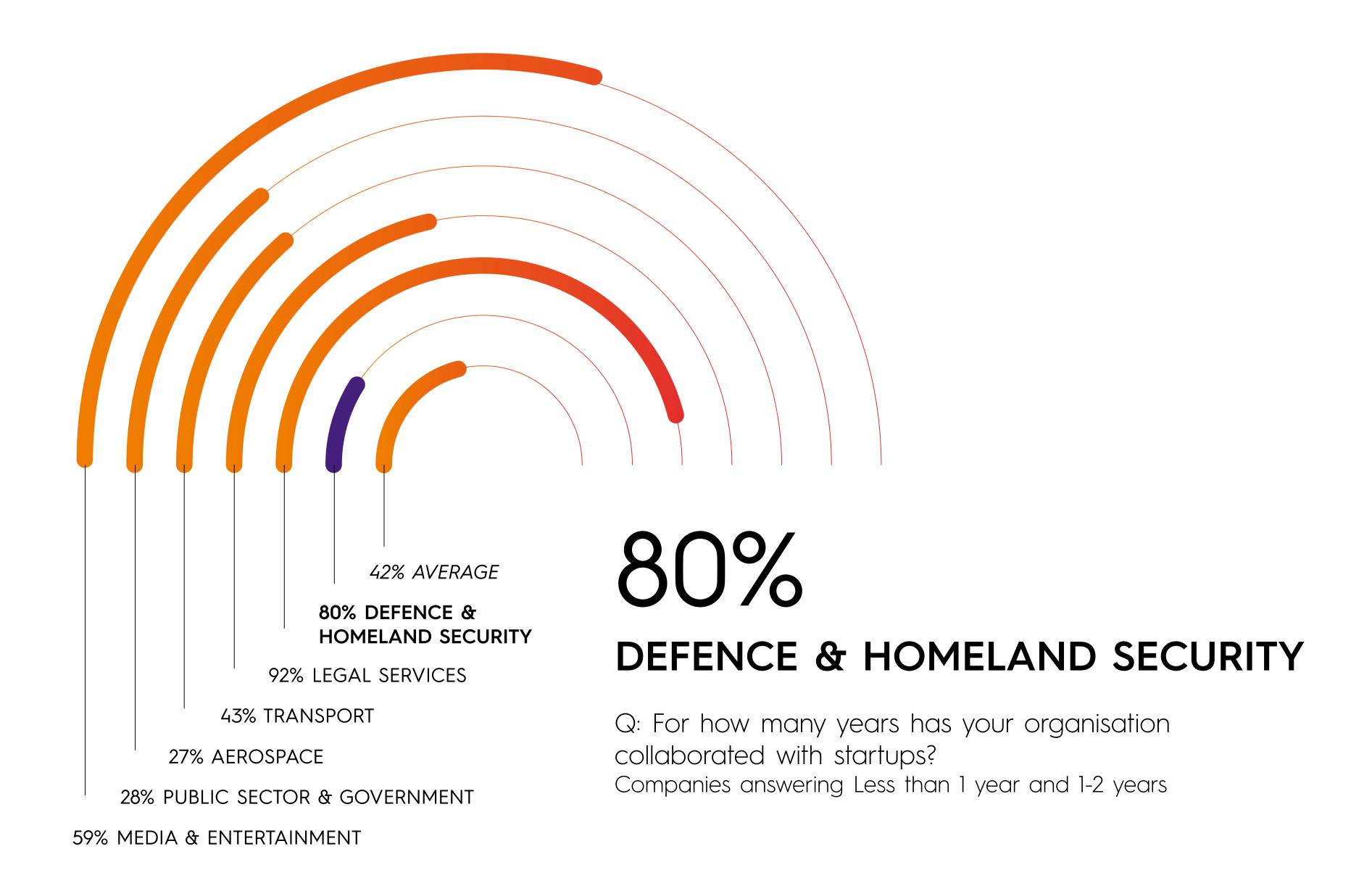|		
88% TELECOMMUNICATIONS	86% RETAIL	58% LEGAL SERVICES
73% AEROSPACE	77% TRANSPORT	80% AVERAGE

60%
DEFENCE & HOMELAND SECURITY

Q: How important is startup collaboration for your organisation's strategy?
Companies answering Very Important (Mission Critical) and Slightly Important, but not Mission Critical

03. Lowest level of
successful collaborations

75% TELECOMMUNICATIONS	52% ENERGY & UTILITIES	68% HEALTH
73% AEROSPACE	60% PUBLIC SECTOR & GOVERNMENT	65% AVERAGE

20%
DEFENCE & HOMELAND SECURITY

Q: Overall, how often in your collaborations with startups did you achieve your objectives?
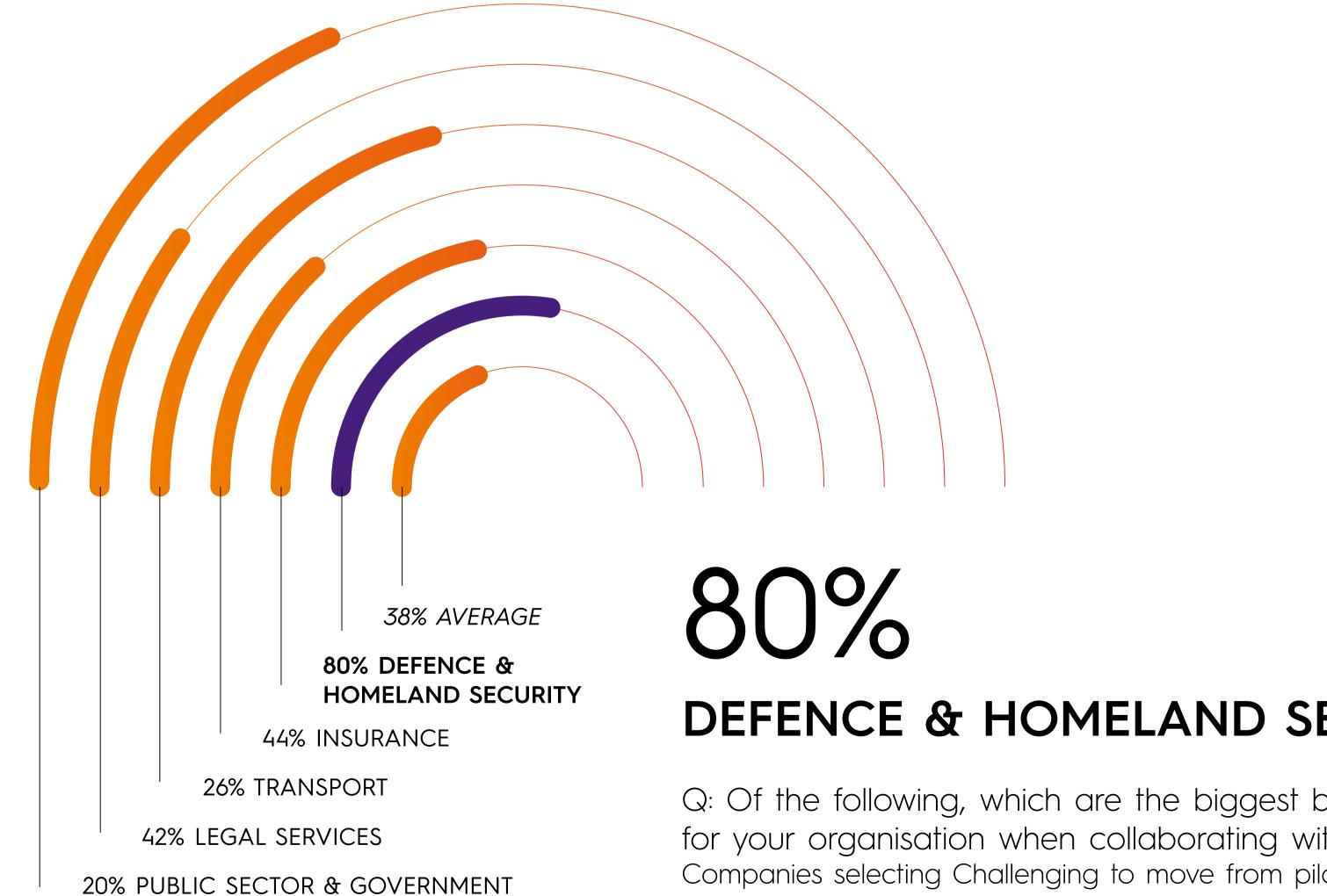Companies answering Always and Most of the Time.

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04. Industry with the second highest level
of companies new to Open Innovation

- 42% AVERAGE
- 80% DEFENCE & HOMELAND SECURITY
- 92% LEGAL SERVICES
- 43% TRANSPORT
- 27% AEROSPACE
- 28% PUBLIC SECTOR & GOVERNMENT
- 59% MEDIA & ENTERTAINMENT

80%
DEFENCE & HOMELAND SECURITY

Q: For how many years has your organisation collaborated with startups?
Companies answering Less than 1 year and 1-2 years

05. The industry finding it most difficult
to move from pilot to implementation

- 38% AVERAGE
- 80% DEFENCE & HOMELAND SECURITY
- 44% INSURANCE
- 26% TRANSPORT
- 42% LEGAL SERVICES
- 20% PUBLIC SECTOR & GOVERNMENT
- 37% HEALTH

80%
DEFENCE & HOMELAND SECURITY

Q: Of the following, which are the biggest barriers (obstacles) for your organisation when collaborating with startups?
Companies selecting Challenging to move from pilot to implementation

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This survey was conducted among 1,643 public and private sector organisations and startups in 12 European countries: United Kingdom, France, Italy, Spain, Germany, Sweden, Norway, Denmark, Belgium, the Netherlands, Luxembourg, and Switzerland.

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